

**EIGHTY-FIFTH GENERAL ASSEMBLY
2013 REGULAR SESSION
DAILY
HOUSE CLIP SHEET**

MARCH 20, 2013

HOUSE FILE 550

H-1183

1 Amend House File 550 as follows:
2 1. Page 3, by striking lines 21 and 22 and
3 inserting <conjunction with the departments of
4 administrative services, human services, public health,
5 and public safety, shall study the potential for
6 applying new>
7 2. Page 3, after line 32 by inserting:
8 <Sec. _____. EFFECTIVE UPON ENACTMENT. This Act,
9 being deemed of immediate importance, takes effect upon
10 enactment.
11 Sec. _____. RETROACTIVE APPLICABILITY. This Act
12 applies retroactively to persons for whom a record
13 check was requested not more than sixty calendar days
14 prior to the effective date of this Act.>
15 3. Title page, line 2, after <students> by
16 inserting <and including effective date and
17 applicability provisions>
18 4. By renumbering as necessary.
By HEATON of Henry

H-1183 FILED MARCH 19, 2013

HOUSE FILE 550

H-1192

1 Amend House File 550 as follows:
2 1. Page 3, by striking lines 21 and 22 and
3 inserting <conjunction with the departments of
4 administrative services, human services, public health,
5 and public safety, shall study the potential for
6 applying new>
7 2. Page 3, after line 32 by inserting:
8 <Sec. _____. EFFECTIVE UPON ENACTMENT. This Act,
9 being deemed of immediate importance, takes effect upon
10 enactment.
11 Sec. _____. APPLICABILITY. This Act applies
12 retroactively to persons for whom a record check was
13 requested not more than sixty calendar days prior to
14 the effective date of this Act.>
15 3. Title page, line 2, after <students> by
16 inserting <and including effective date and
17 applicability provisions>
18 4. By renumbering as necessary.
By HEATON of Henry

H-1192 FILED MARCH 19, 2013

HOUSE FILE 356

H-1191

1 Amend House File 356 as follows:

2 1. By striking everything after the enacting clause
3 and inserting:

4 <Section 1. Section 614.1, subsection 5, Code 2013,
5 is amended to read as follows:

6 5. Written contracts -- judgments of courts not of
7 record -- recovery of real property and rent.

8 a. Those Except as provided in paragraph "b", those
9 founded on written contracts, or on judgments of any
10 courts except those provided for in subsection 6, and
11 those brought for the recovery of real property, within
12 ten years.

13 b. Those founded on claims for rent, within five
14 years.

15 Sec. 2. Section 615.1, subsection 1, Code 2013, is
16 amended to read as follows:

17 1. After the expiration of a period of two years
18 from the date of entry of judgment, exclusive of any
19 time during which execution on the judgment was stayed
20 pending a bankruptcy action or order of court, a
21 judgment entered in any of the following actions shall
22 be null and void, all liens shall be extinguished, and
23 no execution shall be issued except as a setoff or
24 counterclaim:

25 a. ~~-(1)~~ For a real estate mortgage, deed of trust,
26 or real estate contract executed prior to July 1,
27 2009, an action for the foreclosure of the real estate
28 mortgage, deed of trust, or real estate contract upon
29 property which at the time the foreclosure is commenced
30 is either used for an agricultural purpose as defined
31 in section 535.13 or as a one-family or two-family
32 dwelling which is the residence of the mortgagor.

33 ~~-(2)~~ b. For a real estate mortgage, deed of trust,
34 or real estate contract executed on or after July 1,
35 2009, an action for the foreclosure of the real estate
36 mortgage, deed of trust, or real estate contract upon
37 property which at the time of the execution of the
38 mortgage, deed, or contract is either used for, or is
39 being acquired for, an agricultural purpose as defined
40 in section 535.13 or as a one-family or two-family
41 dwelling which is the residence of the mortgagor.

42 ~~b. An action on a claim for rent.~~

43 Sec. 3. NEW SECTION. 615.1A Execution on judgment
44 -- claim for rent.

45 After the expiration of a period of ten years from
46 the date of entry of judgment in an action on a claim
47 for rent, exclusive of any time during which execution
48 on the judgment was stayed pending a bankruptcy action
49 or order of court, such judgment shall be null and
50 void, all liens shall be extinguished, and no execution

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Page 2

1 shall be issued.>

2 2. Title page, line 1, by striking <period in> and
3 inserting <periods in bringing suit and>

By KAUFMANN of Cedar

H-1191 FILED MARCH 19, 2013

HOUSE FILE 485

H-1182

1 Amend House File 485 as follows:

2 1. Page 1, after line 8 by inserting:

3 <Sec. _____. Section 47.1, Code 2013, is amended by
4 adding the following new subsection:

5 NEW SUBSECTION. 6. The state commissioner of
6 elections shall develop educational materials related
7 to the proof of identification requirements established
8 pursuant to section 49.77, subsection 3, paragraph
9 "a", and shall mail such materials to each registered
10 voter in the state before January 1, 2015. On or after
11 January 1, 2015, the state commissioner of elections
12 shall mail such materials to each person who registers
13 to vote pursuant to chapter 48A immediately following
14 the person's registration.>

15 2. Title page, line 2, after <vote,> by inserting
16 <requiring certain educational information be mailed to
17 registered voters,>

18 3. By renumbering as necessary.

By HUNTER of Polk

H-1182 FILED MARCH 19, 2013

HOUSE FILE 532

H-1181

1 Amend the amendment, H-1084, to House File 532 as
2 follows:

3 1. Page 1, by striking lines 4 and 5 and inserting:

4 <_____. Page 1, by striking line 28 and inserting
5 <as defined in section 801.4, subsection 11, paragraph
6 "a", "b", or "c"; and meet the>

7 _____. Page 1, line 29, after <3A> by inserting <
8 and be certified by the department. To be certified
9 by the department, a person who seeks to qualify as
10 a classroom driver education instructor under this
11 subparagraph division (b) shall annually attend not
12 less than eight hours of instruction relating to the
13 classroom instruction provided to students pursuant
14 to subsection 1, paragraph "a". The eight hours of
15 instruction for certification shall be provided by the
16 department. A person who seeks certification under
17 this subparagraph division (b) shall be assessed a fee
18 by the department to cover the costs of the eight hours
19 of instruction>>

By HANSON of Jefferson

H-1181 FILED MARCH 19, 2013

HOUSE FILE 565

H-1180

1 Amend House File 565 as follows:

2 1. Page 2, by striking lines 8 through 17 and
3 inserting:

4 <2. If a general contractor or owner-builder
5 fails to post the required notice of commencement
6 of work to the mechanics' notice and lien registry
7 internet website pursuant to subsection 1, within ten
8 days of commencement of the work on the property, a
9 subcontractor may post the notice in conjunction with
10 the ~~filing~~ posting of the required preliminary notice
11 pursuant to section 572.13B. A notice of commencement
12 of work must be posted to the mechanics' notice and
13 lien registry internet website before preliminary
14 notices pursuant to section 572.13B may be posted.>
15 2. By renumbering as necessary.

By BALTIMORE of Boone

H-1180 FILED MARCH 19, 2013

HOUSE FILE 593

H-1184

1 Amend House File 593 as follows:

2 1. Page 1, before line 1 by inserting:

3 <Section 1. Section 256.16, subsection 1, Code
4 2013, is amended by adding the following new paragraph:
5 NEW PARAGRAPH. d. Beginning July 1, 2014, require
6 a student to successfully complete training on how
7 to prevent, recognize, address, and stop incidents
8 of harassment or bullying before graduation from the
9 practitioner preparation program and provide a student
10 with information on the effects of harassment and
11 bullying. For purposes of this paragraph, "harassment"
12 and "bullying" mean the same as defined in section
13 280.28, subsection 2.>

14 2. By renumbering as necessary.

By HUNTER of Polk

H-1184 FILED MARCH 19, 2013

HOUSE FILE 603

H-1178

1 Amend House File 603 as follows:

2 1. Page 14, after line 16 by inserting:

3 <As a condition of receiving the appropriation in
4 this subsection, the secretary of state is prohibited
5 from using and reimbursing the costs associated with an
6 agent of the division of criminal investigation of the
7 department of public safety conducting certain voter
8 investigations.

9 As a condition of receiving the appropriation
10 in this subsection, the secretary of state is also
11 prohibited from taking or requiring any action relative
12 to a group of voters from a list or based upon the
13 ethnicity of the group of voters if that action is
14 not otherwise taken or required of the electorate as
15 a whole.>

16 2. Page 32, after line 32 by inserting:

17 <As a condition of receiving the appropriation in
18 this subsection, the secretary of state is prohibited
19 from using and reimbursing the costs associated with an
20 agent of the division of criminal investigation of the
21 department of public safety conducting certain voter
22 investigations.

23 As a condition of receiving the appropriation
24 in this subsection, the secretary of state is also
25 prohibited from taking or requiring any action relative
26 to a group of voters from a list or based upon the
27 ethnicity of the group of voters if that action is
28 not otherwise taken or required of the electorate as
29 a whole.>

By HUNTER of Polk

H-1178 FILED MARCH 19, 2013

HOUSE FILE 603

H-1179

1 Amend the amendment, H-1173, to House File 603 as
2 follows:
3 1. Page 1, after line 8 by inserting:
4 <As a condition of receiving the appropriation
5 in this subsection, the secretary of state is also
6 prohibited from taking or requiring any action relative
7 to a group of voters from a list or based upon the
8 ethnicity of the group of voters if that action is
9 not otherwise taken or required of the electorate as
10 a whole.>
11 2. Page 1, after line 15 by inserting:
12 <As a condition of receiving the appropriation
13 in this subsection, the secretary of state is also
14 prohibited from taking or requiring any action relative
15 to a group of voters from a list or based upon the
16 ethnicity of the group of voters if that action is
17 not otherwise taken or required of the electorate as
18 a whole.>

By HUNTER of Polk

H-1179 FILED MARCH 19, 2013

HOUSE FILE 603

H-1187

1 Amend House File 603 as follows:
2 1. Page 1, by striking lines 20 and 21 and
3 inserting <but shall be transferred for deposit into
4 the Iowa energy bank revolving loan fund.>
5 2. Page 20, by striking lines 5 and 6 and inserting
6 <but shall be transferred for deposit into the Iowa
7 energy bank revolving loan fund.>

By ISENHART of Dubuque

H-1187 FILED MARCH 19, 2013

HOUSE FILE 604

H-1185

1 Amend House File 604 as follows:
2 1. Page 11, after line 13 by inserting:
3 <Sec. _____. ONLINE CURRICULUM FOR UNIFORM TRANSFER
4 OF ACADEMIC CREDIT ---- STUDY AND REPORT.
5 1. The department of education shall conduct
6 a study regarding the establishment of an online
7 curriculum to facilitate the transfer of academic
8 credits earned by students residing in child foster
9 care facilities licensed under section 237.4, and in
10 institutions controlled by the department of human
11 services and listed in section 218.1, between those
12 facilities and institutions and public and accredited
13 nonpublic schools. The goal of the curriculum shall
14 be to minimize wherever possible the loss of academic
15 credit for coursework completed by such students.
16 2. The department shall consider contracting with a
17 private provider to administer the curriculum through
18 a request for bids or proposals, but shall prioritize
19 the use of existing resources such as the Iowa learning
20 online initiative established under section 256.42, and
21 the online learning program model established under
22 section 256.43, for such administration.
23 3. Instruction provided through the online
24 curriculum shall be taught by teachers licensed under
25 chapter 272. All courses in the online curriculum
26 shall meet existing accreditation standards.
27 4. The department shall submit a report of its
28 findings and recommendations to the general assembly
29 by January 3, 2014.>
30 2. By renumbering as necessary.

By HALL of Woodbury

H-1185 FILED MARCH 19, 2013

HOUSE FILE 604

H-1186

1 Amend House File 604 as follows:
2 1. Page 10, after line 6 by inserting:
3 <____. EDUCATION REFORM
4 For distribution to school districts for
5 implementation of the education reform provisions of
6 section 279.68, subsection 2, enacted pursuant to 2012
7 Iowa Acts, chapter 1119, section 34:
8 \$ 12,000,000>>
9 2. Page 28, after line 21 by inserting:
10 <____. EDUCATION REFORM
11 For distribution to school districts for
12 implementation of section 279.68, subsection 2, enacted
13 pursuant to 2012 Iowa Acts, chapter 1119, section 34:
14 \$ 12,000,000>
15 3. By renumbering as necessary.

By STECKMAN of Cerro Gordo
WINCKLER of Scott

H-1186 FILED MARCH 19, 2013

HOUSE FILE 604

H-1188

1 Amend House File 604 as follows:

2 1. Page 17, after line 30 by inserting:

3 <Sec. _____. Section 261.113, subsection 5, paragraph

4 a, Code 2013, is amended to read as follows:

5 a. The amount of loan repayment an eligible student

6 who enters into an agreement pursuant to subsection

7 3 shall receive ~~upon fulfilling the requirements~~

8 ~~of subsection 3~~ if in compliance with obligations

9 under the agreement shall ~~be not more than exceed~~

10 fifty thousand dollars annually for an eligible loan.

11 Payments under this section ~~are limited to~~ may be made

12 for each year of eligible practice during a four-year

13 consecutive five-year period and shall not exceed a

14 total of two hundred thousand dollars.

15 Sec. _____. Section 261.113, subsection 9, Code 2013,

16 is amended by adding the following new paragraph:

17 NEW PARAGRAPH. d. If a loan repayment recipient

18 fails to fulfill the obligation to engage in practice

19 in accordance with subsection 3, the recipient shall

20 be subject to repayment to the commission of the loan

21 amount plus interest as specified by rule. A loan

22 repayment recipient who fails to meet the requirements

23 of the obligation to engage in practice in accordance

24 with subsection 3 may also be subject to repayment

25 of moneys advanced by the service commitment area as

26 provided in any agreement with the service commitment

27 area.>

28 2. By renumbering as necessary.

By DOLECHECK of Ringgold

H-1188 FILED MARCH 19, 2013

HOUSE FILE 604

H-1189

1 Amend House File 604 as follows:

2 1. Page 17, after line 16 by inserting:

3 <Sec. _____. FEDERAL BUDGET CONTROL ACT OF 2011
4 REDUCTIONS -- APPROPRIATION.

5 1. There is appropriated from the general fund
6 of the state to the department for the blind, the
7 college student aid commission, the department of
8 education, and the state board of regents, and the
9 institutions, divisions, programs, initiatives, and
10 purposes for which they administer or govern and
11 receive appropriations in this division of this Act,
12 for the fiscal year beginning July 1, 2012, and ending
13 June 30, 2013, an amount sufficient to restore federal
14 funding reductions made pursuant to the federal Budget
15 Control Act of 2011, to be used for the purposes for
16 which the federal funds were designated.

17 2. Notwithstanding section 8.33, moneys
18 appropriated in this section that remain unencumbered
19 or unobligated at the close of the fiscal year shall
20 not revert but shall remain available for expenditure
21 for the purposes designated until the close of the
22 succeeding fiscal year.>

23 2. Page 19, after line 12 by inserting:

24 <Sec. _____. EFFECTIVE UPON ENACTMENT. The following
25 provision or provisions of this division of this Act,
26 being deemed of immediate importance, take effect upon
27 enactment:

28 1. The section of this Act relating to the federal
29 Budget Control Act of 2011 reductions.>

30 3. Title page, line 5, after <matters> by inserting
31 <and for effective dates>

32 4. By renumbering as necessary.

By WINCKLER of Scott	JACOBY of Johnson
ABDUL-SAMAD of Polk	KEARNS of Lee
DAWSON of Woodbury	LENSING of Johnson
GAINES of Polk	MASCHER of Johnson
GASKILL of Wapello	OLDSON of Polk
HEDDENS of Story	STECKMAN of Cerro Gordo
HUNTER of Polk	T. TAYLOR of Linn
ISENHART of Dubuque	THEDE of Scott

H-1189 FILED MARCH 19, 2013

HOUSE FILE 604

H-1190

1 Amend House File 604 as follows:

2 1. Page 1, line 28, by striking <232,943> and
3 inserting <10,232,943>

4 2. Page 1, after line 29 by inserting:

5 <From the moneys appropriation in this subsection,
6 \$10,000,000 shall be distributed to eligible students
7 enrolled as undergraduates in institutions of higher
8 learning governed by the state board of regents. For
9 purposes of this section, "eligible student" means a
10 resident student who has established financial need.
11 The commission shall collaborate with the state board
12 of regents in distributing funds pursuant to this
13 subsection. The commission, in collaboration with the
14 state board of regents, shall submit by January 15,
15 2014, a report to the general assembly which provides
16 the number of individuals who received assistance under
17 this subsection, the amount of assistance provided to
18 those individuals, and the institutions from which the
19 individuals graduated. The report shall include the
20 commission's findings and recommendations.>

By HANSON of Jefferson	WESSEL-KROESCHELL of Story
STUTSMAN of Johnson	WOOD of Scott
MASCHER of Johnson	BERRY of Black Hawk
HEDDENS of Story	STECKMAN of Cerro Gordo
JACOBY of Johnson	KAJTAZOVIC of Black Hawk
LENSING of Johnson	KRESSIG of Black Hawk
WINCKLER of Scott	

H-1190 FILED MARCH 19, 2013

HOUSE FILE 604

H-1193

1 Amend House File 604 as follows:

2 1. Page 19, after line 12 by inserting:

3 <Sec. _____. NEW SECTION. 285.17 School bus stop arm
4 camera pilot program.

5 1. The department of education shall establish
6 a school bus stop arm camera pilot program in
7 coordination with the department of administrative
8 services, the department of transportation, and
9 participating school districts. The department
10 shall develop procedures and specifications for the
11 solicitation of bids for the purchase of school bus
12 stop arm cameras to be used by participating school
13 districts. The department may award a contract for
14 purchase to any bidder or bidders responsive to the
15 needs of at least one participating school district.
16 However, a participating school district must accept
17 a bid for which the department awards a contract for
18 purchases by the school district.

19 2. The department shall establish an application
20 process for school districts to participate in the
21 program and shall not implement the program unless at
22 least three school districts successfully apply. The
23 department shall encourage school districts of diverse
24 size and location to apply for the program.

25 3. A participating school district shall install
26 school bus stop arm cameras received through the
27 program on at least three school buses used by the
28 school district. The department and participating
29 school districts shall jointly share the costs of
30 purchasing and installing school bus stop arm cameras
31 pursuant to the program. The department's share of
32 purchasing and installation costs under the program
33 shall not exceed fifteen thousand dollars per fiscal
34 year.

35 4. The department of education, in coordination
36 with the department of administrative services, the
37 department of transportation, and participating
38 school districts, shall submit a report on the
39 program detailing program outcomes, findings, and
40 recommendations to the general assembly by January 8,
41 2016.

42 5. This section is repealed effective June 30,
43 2016.>

44 2. By renumbering as necessary.

By HALL of Woodbury

H-1193 FILED MARCH 19, 2013

SENATE FILE 202

H-1177

1 Amend Senate File 202, as passed by the Senate, as
2 follows:

3 1. Page 2, by striking line 7 and inserting:

4 <Sec. _____. Section 126.25, Code 2013, is amended by
5 striking the section and inserting in lieu thereof the
6 following:

7 126.25 Human immunodeficiency virus home testing
8 kits ---- sales restrictions ---- penalties.

9 1. A home testing kit for human immunodeficiency
10 virus antibody or antigen testing shall not be sold in
11 this state unless the sale complies with all of the
12 following requirements:

13 a. The home testing kit is sold by a licensed
14 pharmacy, and a pharmacist or pharmacy technician as
15 defined in section 155A.3 provides for the sale of the
16 home testing kit from a locked cabinet or from behind a
17 sales counter which is not accessible to the public.

18 b. A pharmacist or pharmacy technician consults
19 with the consumer prior to the sale and the
20 consultation includes informing the consumer of the
21 need to seek in-person follow-up with a health care
22 provider to obtain confirmation of and additional
23 information regarding any test results.

24 2. The Iowa department of public health, in
25 consultation with the board, shall adopt rules to
26 establish what constitutes a home testing kit for the
27 purposes of this section.

28 3. The board may seek injunctive relief pursuant to
29 section 126.4 restraining any person from violating the
30 provisions of this section. In addition, a pharmacy,
31 pharmacist, or pharmacy technician who violates this
32 section is subject to discipline pursuant to section
33 155A.12 or 155A.15, as applicable.>

34 2. Title page, line 2, after <health> by inserting
35 <and providing penalties>

36 3. By renumbering as necessary.

By LUNDBY of Linn

H-1177 FILED MARCH 19, 2013

Fiscal Note

Fiscal Services Division



HF 567 – Gambling Socioeconomic Study (LSB 2498HV)
Analyst: Dwayne Ferguson (Phone: (515) 281-6561) (dwayne.ferguson@legis.iowa.gov)
Fiscal Note Version – New

Description

House File 567 eliminates the requirement that the Racing and Gaming Commission conduct a socioeconomic study on the impact of gambling on Iowans every eight years.

Background

The study is due to be conducted in FY 2014.

Assumptions

The budgeted cost of the study is \$125,000.

Fiscal Impact

The cost to the Riverboat Regulation Fund will be reduced by \$125,000 in FY 2014.

Source

Department of Inspections and Appeals

/s/ Holly M. Lyons

March 19, 2013

The fiscal note for this bill was prepared pursuant to **Joint Rule 17** and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

Fiscal Note

Fiscal Services Division



HF 548 – Vision Screening for School Children (LSB 2014HV)
Analyst: John Parker (Phone: (515) 725-2249) (john.parker@legis.iowa.gov)
Fiscal Note Version – New

Description

House File 548 requires the parent or guardian of a child to ensure that the child is screened for vision impairment at least once before enrollment in kindergarten and again before enrollment in third grade. This Bill provides multiple options for vision screenings, and evidence of the vision screening is to be provided to the school district by a parent or guardian or a vision screening provider as referenced in the Bill. The Department of Public Health (DPH) is required to collect and maintain vision screening reports that are provided by the person who performs a vision screening. The DPH is required to establish procedures to contact the parent or guardian of children in need of vision correction based on the results of a required vision screening to provide information on obtaining necessary vision correction.

Background

In FY 2013, the DPH received a General Fund appropriation allocation of \$150,000 to support contractual agreements for child vision screening programs. The programs are offered through the University of Iowa (Iowa Kidsight) and Prevent Blindness Iowa.

Assumptions

- The DPH estimates 70,000 children will be screened through the program each year.
- School districts will not incur any additional costs associated with collecting evidence of a vision screening from a parent or guardian or a vision screening provider as referenced in the Bill.
- A one-time technology upgrade to Iowa's Immunization Registry will be required to receive and monitor child vision screening results.
- After the first year of the upgrade to Iowa's Immunization Registry, yearly hosting and maintenance costs will be required to maintain the vision screening collection system.
- An additional 1.0 FTE position will be required to monitor data entry compliance with Iowa's Immunization Registry, monitor school/provider screening results reporting, and conduct analysis of child vision screening data.
- An additional 0.5 FTE position will be required to contact the parent or guardian of children in need of vision correction based on the results of an eye examination to provide information on obtaining necessary vision correction.
- Salaries are expected to grow 3.0% annually.

Fiscal Impact

The General Fund fiscal impact of **HF 548** is estimated to be an additional cost of \$307,201 in FY 2014 and \$146,952 in FY 2015. The following table breaks out the costs associated with Iowa's Immunization Registry upgrade and the FTE positions. The fiscal impact to the General Fund associated with the FTE positions will continue in succeeding fiscal years increasing by 3.0% annually.

	FY 2014	FY 2015
Iowa's Immunization Registry		
Vision Screening System Upgrade	\$ 200,000	\$ 0
Hosting and Maintenance	0	39,384
FTE Positions		
Additional 1.0 FTE position to monitor the Vision Screening System	71,364	73,505
Additional 0.5 FTE position to contact the parent or guardian	31,784	32,738
FTE Support - computer package	1,403	0
FTE Support - office supplies, phone, printing costs, other	2,650	1,325
Total General Fund Impact:	\$ 307,201	\$ 146,952

Source

Iowa Department of Public Health

/s/ Holly M. Lyons

March 19, 2013

The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

Fiscal Note

Fiscal Services Division



HF 587 – Plumbing and Mechanical Licensing (LSB 1690HV)
Analyst: Kenneth Ohms (Phone: (515) 725-2200) (kenneth.ohms@legis.iowa.gov)
Fiscal Note Version – New

Description

House File 587 makes several changes to licenses issued by the Plumbing and Mechanical Systems Board, including but not limited to the following:

- The creation of a Mechanical License that covers mechanical, HVAC-refrigeration, sheet metal, and hydronics work.
- Specialization licenses for individuals that do not want to obtain a Mechanical License and adds “sheet metal” to the types of licenses issued by the Board.
- Requires the Board to adopt the most current version of the Uniform Plumbing Code and the International Mechanical Code.
- Changes the licensing period to occur once every three years beginning July 1, 2017, for all licenses under the purview of the Board. Language is included to provide for the transition and prorated fees of license issuance effective on enactment.
- Revises language relating to the use of license numbers in advertising.
- The development of a plan between the Department of Public Health (DPH) and the Labor Services Division, of the Department of Workforce Development to combine the Contractor Registration and Contractor Licensing application process beginning on July 1, 2017.
- Permits the Board to adopt emergency rules involved with the implementation of this Bill.

Background

Under current law a licensee that wants to do all of the plumbing and mechanical work covered in Iowa Code chapter **105** needs four licenses: plumbing, HVAC, refrigeration, and hydronic. Licenses for these professions currently expire three years after the date of issuance. Iowa Code section **105.9** restricts the Board from having revenue projections that exceed expense projections by more than 10.0%. Contractors in the State are required to annually register with the Labor Commissioner (Department of Workforce Development).

Assumptions

- The Plumbing and Mechanical Systems Board will have carryforward of approximately \$1.1 million at the end of FY 2013 to FY 2014.
- New revenue for licenses issued in FY 2014 will be \$75,000.
- The DPH is required to collect and transfer the Contractor Registration fee to the Labor Services Division at no cost to the Division.
- An accurate estimate of licenses issued to individuals under the new structure cannot be made until after July 1, 2014.
- The number of individuals seeking licenses will also need to register as contractors will be approximately 1,600.

Fiscal Impact

There is no fiscal impact to the General Fund.

The Board retains fees charged to licensees to fund operations and has authority to set fees based on the cost of administration of examination pursuant to Iowa Code section [105.9](#) and will adjust these fees to match projected demand. Due to insufficient information on the number of licenses being sought, an estimate on the new fees and revenues cannot be made at this time. One-time expenses of changing software are expected to cost up to \$250,000 and will be covered in the operating budget of the Board.

Combining the Contractor Licensing application and fees and the Contractor Registration fees would frontload the Contractor Registration Revolving Fund with three years' worth of revenue for these contractors in one fiscal year. This will equal approximately \$240,000 in revenue for FY 2018. The fees will then be available in future fiscal years for expenditures pursuant to the administration of the Fund. There is potential for the Fund to be positively impacted if a licensee registered for three years, but then left the profession for any reason after one or two years.

The revised language regarding the simple misdemeanor penalty for fraudulent advertising is not anticipated to have a significant fiscal impact. For more information, please refer to the memo [Correctional Impact Statements](#), dated February 11, 2013, for State cost estimates for criminal penalties.

Source

Department of Public Health

/s/ Holly M. Lyons

March 19, 2013

The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.



HF 599 – Beginning Farmer Tax Credit Program (LSB 1450HZ)
Analyst: Adam Broich (Phone: (515) 281-8223) (adam.broich@legis.iowa.gov)
Fiscal Note Version – As passed by the House Ways and Means Committee

Background

In 2006, the General Assembly created the Agricultural Assets Transfer Tax Credit for landowners that assist beginning farmers in acquiring agricultural assets by lease or rental agreement. The Iowa Agriculture Development Authority (IADA) is responsible, within the guidelines set by the General Assembly, for determining tax credit eligibility. The IADA may issue up to \$6.0 million in tax credits per year. The tax credit is currently 5.0% of the amount paid to the taxpayer under the Cash Rent Agreement, except in the case of a landlord in a crop share rental agreement. In that case, the tax credit, called Crop Share Agreements, equals 15.0% of the amount paid to the taxpayer from crops or animals sold.

Description

This Bill makes several changes to the existing law:

- Increases the tax credit cap from \$6.0 million to \$12.0 million.
- Increases the tax credit percentages for Cash Rent and Crop Share Agreements from 5.0% and 15.0% to 7.0% and 17.0%, respectively.
- Restricts individual tax credits from exceeding \$50,000.
- Creates a new tax credit for landowners that hire a beginning farmer to do custom work and allows the landowner to claim 7.0% of the value of the contract on a tax credit.
- In cases where the beginning farmer is also a veteran, landowners may claim an additional 1.0% of eligible expenses on the tax credit, making the credit effectively 8.0% and 18.0% for the first year of the agreement.
- Increases the maximum net worth used to define a beginning farmer from \$366,324 to \$691,172.
- Allocates \$8.0 million to the current Agricultural Assets Transfer Tax Credit and \$4.0 million for the new Custom Farming Tax Credit. Each tax credit must remain below the allocated amount. The IADA Board may adjust this amount by resolution throughout the year.

Assumptions

Since enactment, the base that the credit is derived from has grown at an annual average of 39.0% per year for Cash Rent Agreements and 35.0% per year for Crop Share Agreements. On average, Cash Rent Agreements are 17.8% of the total credits awarded, Crop Share Agreements are 76.4%, and the remaining 4.1% are combination agreements. This estimate assumes the growth rate history will continue. Additionally, this estimate assumes that the percent division of total awards history will continue. The following table reflects projected Cash Rent and Crop Share base growth based on growth rates of 39.0% and 35.0%, respectively:

**Projected Assets Transfer Tax Base
Veteran and Nonveteran**
In Millions of Dollars

Year	Cash Rent Base	Crop Share Base
2013	\$ 28.5	\$ 39.6
2014	39.7	53.5
2015	55.2	72.1
2016	76.7	97.3
2017	106.6	131.3

Landowners currently in Assets Transfer Tax Agreements that contract with beginning farmers to perform custom work will be eligible for a Custom Farming Tax Credit. Landowners can claim a tax credit of 7.0% (8.0% in the first year for veterans) of the value of a contract for custom work with a beginning farmer. Approximately 26,000 Iowa farmers (28.8% of all farming operations) contract for custom work in a given year.¹ The 2007 USDA Census provides detailed information of custom work expense in Iowa by expenditure size. Based on this, it is projected that 28.8% of taxpayers in the Assets Transfer Tax Agreement will be eligible, and the expense per farmer will be distributed as follows:

2013 Average Contract Value Projections²

Expenditure Category	Percent of Farmers per Category	Eligible Farmers per Category	Category Average Contract	Total Contract Value per Category
Expense: (\$1,000 TO 4,999)	38.9%	97	\$3,291	\$ 317,961
Expense: (\$5,000 TO 9,999)	16.8%	42	\$9,098	379,797
Expense: (\$10,000 TO 24,999)	12.7%	31	\$19,542	615,385
Expense: (\$25,000 TO 49,999)	4.0%	10	\$43,813	433,883
Expense: (\$50,000 OR MORE)	4.5%	11	\$162,816	1,817,034
Totals	76.8%	191	-	\$ 3,564,060

Based on custom work rate surveys conducted by Iowa State University (ISU) Extension, the value of custom work is projected to grow 4.6% per year.³ Concurrently, the number of farmers eligible for the Custom Farming Tax Credit is expected to grow at 4.9% per year.⁴ This estimate relies on these growth rates to calculate future growth of the Custom Farming Tax Credit. It is assumed distribution of custom work expenditures among the various expense categories remains constant through 2017.

Projected Custom Farming Tax Credit Base
In Millions of Dollars

Year	Custom Farming Base
2013	\$ 3.6
2014	3.9
2015	4.3
2016	4.7
2017	5.1

¹ National Agriculture Statistics Service Quick Stats, <http://quickstats.nass.usda.gov/>.

² To be eligible for a tax credit, the value of a custom work contract must exceed \$1,000. Approximately 23.2% of custom work contracts are less than \$1,000, and are not included in tax credit projections.

³ Calculated based on average growth in the ISU Extension Custom Rate Survey from 2007 through 2012.

⁴ Calculated based on Department of Revenue tracking of Agricultural Assets Transfer Agreements from 2010 and 2011.

Further assumptions used to calculate the fiscal impact:

- Assumes 4.4% of beginning farmers are veterans.
- Taxpayers will be able to find beginning farmers capable of performing custom work and meeting IADA criteria.
- Capping individual tax credits at \$50,000 will reduce the total value of awards by 3.4%. This is based on the total value of awards that exceeded \$50,000 in 2011, the most recent year with individual tax credit information.
- This bill allows the IADA Board to utilize an alternative method to compute a tax credit on crop share contracts. The method will calculate a base by multiplying the per bushel yield where the land is located by a per bushel State price. The impact of this change is unknown, and would require Board action. Allowing the Board this discretion will not impact when the Assets Transfer Tax Credit will meet the proposed cap.
- At estimated growth rates, increasing the net worth limit of a beginning farmer does not impact when the Assets Transfer Tax Credit will hit the proposed cap. Given growth rates history, the Assets Tax Credit will reach \$8.0 million beginning in FY 2013 without additional eligible applicants.
- Assumes taxpayers will continue to redeem tax credits according to past timing data for both tax credits. Taxpayers are allowed to redeem credits for five years after receiving the award, and typically 25.6% of awards are not redeemed.

Projected Agriculture Assets Tax Credit Award Utilization⁵

In Millions of Dollars

	Current Law	Proposed Law	Increase in
Year	Assets Transfer Tax Credit	Assets Transfer Tax Credit	Assets Transfer Tax Credit
2013	\$ 6.0	\$ 8.0	\$ 2.0
2014	6.0	8.0	2.0
2015	6.0	8.0	2.0
2016	6.0	8.0	2.0
2017	6.0	8.0	2.0

Projected Custom Work Tax Credit Award Utilization

In Millions of Dollars

	Custom Work	Custom Work	Unutilized
Year	Tax Credit Cap	Credit Tax	Custom Work Credit Cap
2013	\$ 4.0	\$ 0.2	\$ 3.8
2014	4.0	0.3	3.7
2015	4.0	0.3	3.7
2016	4.0	0.3	3.7
2017	4.0	0.4	3.6

⁵ Assumes the IADA will not exercise its authority to reallocate the tax credit award cap.

Fiscal Impact

The estimated impacts of this Bill compared to existing law are as follows:

Estimated General Fund Impact⁶ \$8.0 Million Cap Agriculture Assets Transfer Tax

In Millions of Dollars

Fiscal Year	Current Law	Proposed	General Fund Impact
2013	\$ 3.5	\$ 3.5	\$ -
2014	3.9	4.7	(0.8)
2015	4.2	5.4	(1.2)
2016	4.3	5.7	(1.4)
2017	4.4	6.0	(1.5)

[HF 599](#) allows the IADA to adjust the cap allocation. Should the IADA allocate \$11.0 million to the Assets Transfer Credit and \$1.0 million to the Custom Work Credit, estimated impacts of this Bill compared to existing law are as follows:

Estimated General Fund Impact \$11.0 Million Cap Agriculture Assets Transfer Tax

In Millions of Dollars

Fiscal Year	Current Law	Proposed	General Fund Impact
2013	\$ 3.5	\$ 3.5	\$ -
2014	3.9	5.1	(1.1)
2015	4.2	6.6	(2.4)
2016	4.3	7.4	(3.0)
2017	4.4	7.8	(3.4)

Sources

Department of Revenue
Iowa Agriculture Development Authority
Iowa State University Extension
Legislative Services Agency Analysis
United States Department of Agriculture National Agricultural Statistics Service

/s/ Holly M. Lyons

March 19, 2013

The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

⁶ Note: Not all tax credit awards are redeemed in the award year. Awards expire five years after being issued.

Fiscal Note

Fiscal Services Division



HF 598 – Agricultural All Terrain Vehicle Sales Tax Exemption (LSB 1432HV)
Analyst: Shawn Snyder (Phone: (515) 281-7799) (shawn.snyder@legis.iowa.gov)
Fiscal Note Version – New

Description

House File 598 provides a sales tax exemption for all-terrain vehicles (ATVs) and utility vehicles (UVs) that are used primarily in the production of agriculture.

Assumptions

Assumptions for the fiscal impact include:

- The total taxable sales of ATVs was based on estimated taxable sales totaling \$28.1 million in FY 2011. Additionally, the estimate assumes that under current law, 32.0% of ATV sales were exempt based on the current definition of “primarily and directly” used for agriculture purposes.
- Total UV sales are assumed to be about 2,700 with an estimated average cost of \$9,000 per vehicle in 2013.
- Sales growth is estimated at 3.1% annually. The ATV and UV prices are estimated to increase 3.4% in FY 2015, 3.9% in FY 2016, 4.1% in FY 2017, and 3.3% in FY 2018.
- Based on Department of Revenue audit data, the proposed law is estimated to exempt 37.5% of current taxable sales.

Fiscal Impact

The estimated fiscal impact of this bill will be a reduction in State sales tax revenues of \$1.5 million in FY 2014, \$1.6 million in FY 2015, \$1.7 million in FY 2016, and \$1.8 million in FY 2017. The following table provides the estimated total sales tax impact, the impact on the General Fund, and the impact on the Secure an Advanced Vision for Education (SAVE) fund.

Estiamted Fiscal Impact of HF 598 (Dollars in Millions)				
	FY 2014	FY 2015	FY 2016	FY 2017
Est. Total Sales Tax Exemption Amount	\$ 1.5	\$ 1.6	\$ 1.7	\$ 1.8
Reduction in General Fund Revenues	1.2	1.3	1.4	1.5
Reduction in SAVE Fund Revenues	0.2	0.3	0.3	0.3

Additionally, Local Option Sales Tax (LOST) amounts will be reduced by an estimated \$0.2 million in FY 2014, \$0.3 million in FY 2015 through FY 2017.

Sources

Iowa Department of Revenue
LSA analysis and calculations

/s/ Holly M. Lyons

March 19, 2013

The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.
